GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1547
ANSWERED ON:01.12.2006
NEW NORMS FOR VEHICLE INSURANCE
Gangwar Shri Santosh Kumar;Rijiju Shri Kiren

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that private sector insurance companies are acting arbitrarily in issuing/settling mediclaim policies by violating the laws;

(b) if so, whether the Government has also received complaints that these companies have refused to issue mediclaim policies to those who are above 45 years of age;

(c) if so, the details thereof, and

(d) the concrete measures taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a): Insurance Regulatory and Development Authority (IRDA) has informed that it has not received any complaint relating to private insurers acting arbitrarily in issuing policies/settling claims.

(b) to (d): Each insurance company has its own underwriting policy and may devise products for different age groups. The acceptance or rejection of a proposal has to be within the parameters of the product filed with IRDA. Often an outer age limit is defined in a product and some times different outer age limits may be indicated for fresh covers and renewal covers respectively. Though insurance companies expect people to join health insurance scheme at an early age, rejection of renewal of a person who has been continuously insured just because he has crossed middle age is not permissible. IRDA received a few complaints about the reluctance of the insurance companies to grant health insurance covers beyond 45 to 50 years of age. On receiving such complaints, IRDA takes them up with the concerned insurance company for the redressal of grievance.